Information technology in Healthcare: Current status and potential government roles

ISSUE: Researchers, health care administrators, and policymakers have focused considerable attention recently on the use of information technology (IT) in health care and the potential of certain types of IT to improve quality of care.   How much investment have hospitals and physicians made in information technology, and on what kinds of IT? Should the government play a greater role in encouraging diffusion of IT? What role would that be?

KEY POINTS:

The attached draft chapter makes the following points:
*   Health care IT includes numerous applications that support administrative functions (e.g., billing and financial management) and provide assistance for clinical care (e.g., computerized provider order entry). Considerable IT infrastructure must be built to support clinical IT.

*   Administrative IT is most fully diffused in hospitals and physicians offices. Fewer providers have invested in clinical IT, although recent surveys suggest increased plans to invest. In general, larger hospitals and larger physician practices have more advanced IT.

*   While numerous factors drive investment in IT, the potential for improving quality is a major impetus to invest in clinical applications. More evidence of the link is needed, however.

*   Many barriers limit investment in IT, including cost, rapid change in technology, and lack of adequate vendor offerings. There are also significant implementation risks, such as the need to change work processes and obtain provider support.

*   The government currently has numerous initiatives to encourage healthcare IT, including developing standards, promoting a national health information infrastructure, and funding research on the value of IT, among others.

*   Potential additional government roles might including changing reimbursement policies, providing grants or loan funds, mandating use of certain technologies, and reducing legal barriers to hospitals and physicians working together on IT projects.

ACTION: Commissioners should provide feedback on draft chapter and survey findings.

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